



County of Los Angeles CHIEF EXECUTIVE OFFICE

713 KENNETH HAHN HALL OF ADMINISTRATION
LOS ANGELES, CALIFORNIA 90012
(213) 974-1101
<http://ceo.lacounty.gov>

WILLIAM T FUJIOKA
Chief Executive Officer

June 4, 2008

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

Dear Supervisors:

**DEPARTMENT OF PUBLIC WORKS: ROSEWOOD SMART SHUTTLE SERVICE
(SUPERVISORIAL DISTRICT 2)
(3 VOTES)**

SUBJECT

This action is to award a sole source agreement to establish the Rosewood Smart Shuttle Service for the unincorporated communities of Rosewood, West Rancho Dominguez, and Willowbrook through June 2011.

IT IS RECOMMENDED THAT YOUR BOARD:

1. Find that this service is statutorily exempt from the provisions of the California Environmental Quality Act.
2. Find that this service can be more economically performed by an independent contractor than by County employees.
3. Find that the use of a sole source agreement with the Watts Labor Community Action Committee, the only local transit provider with prior smart shuttle transit operational experience within the service target area and with an intimate knowledge of the needs of the County unincorporated residents in the communities of Rosewood, West Rancho Dominguez, and Willowbrook resulting from years of providing service, is in fact in the best interest of the County of Los Angeles and that a competitive solicitation is not feasible for the initial two-year demonstration period.

Board of Supervisors
GLORIA MOLINA
First District

YVONNE B. BURKE
Second District

ZEV YAROSLAVSKY
Third District

DON KNABE
Fourth District

MICHAEL D. ANTONOVICH
Fifth District

4. Approve the agreement for the Rosewood Smart Shuttle Service for a two-year demonstration period to the Watts Labor Community Action Committee, located in Los Angeles, California. This agreement will be for a period of two years commencing on June 6, 2008, with a one-year renewal option from June 6, 2010 through June 5, 2011, not to exceed a total contract period of three years.
5. Authorize the Acting Director of Public Works or his designee to disburse up to a total maximum contract sum of \$987,000 for the initial two-year term. This amount is to be proportioned as \$876,000 (\$438,000 per contract year) for the monthly operation of the service and \$111,000 for the one-time cost of specialty equipment. The necessary funds are available in the Second Supervisorial District's Proposition A Local Return Program portion of the Transit Enterprise Fund.
6. Authorize the Acting Director of Public Works or his designee to increase the maximum contract sum including service costs and specialty equipment costs, up to an additional 25 percent for any additional work and specialty equipment, and to account for adjustments in fuel prices as stated within the scope of the agreement, if required.
7. Authorize the Acting Director of Public Works or his designee to exercise a one-year renewal option in an amount not to exceed \$438,000 if, in the opinion of the Acting Director of Public Works or his designee, the Watts Labor Community Action Committee has successfully performed during the previous contract period and the services are still required, and in the opinion of the Acting Director of Public Works or his designee it remains in the best interest of the County of Los Angeles to do so.
8. Authorize the Acting Director of Public Works or his designee to execute change notices or amendments required to accommodate service modifications within the scope of work and to suspend work if, in the opinion of the Acting Director of Public Works or his designee, it is in the best interest of the County of Los Angeles to do so.
9. Instruct the Chair of the Board of Supervisors to execute the agreement.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTIONS

The purpose of the recommended action is to provide for the operation of the Rosewood Smart Shuttle Service within the unincorporated County areas of Rosewood, West Rancho Dominguez, and Willowbrook. A smart shuttle service blends together elements of both a fixed-route community shuttle and a curb-to-curb, demand response (dial-a-ride) service. The Department of Public Works (Public Works) is using this pilot project to evaluate the effectiveness of a smart shuttle service for an area that does not have sufficient population to support a fixed-route service.

Implementation of Strategic Plan Goals

The Countywide Strategic Plan directs that we provide Service Excellence (Goal 1), Fiscal Responsibility (Goal 4), and Community Services (Goal 6). This smart shuttle service will improve the mobility and quality of life for the County of Los Angeles (County) residents. The Watts Labor Community Action Committee (contractor) has many years of experience providing transit services to the residents of the unincorporated County areas of Rosewood, West Rancho Dominguez, and Willowbrook.

FISCAL IMPACT/FINANCING

There will be no impact to the County General Fund.

The agreement is for a total initial two-year term contract amount of \$987,000 at an annual amount of \$438,000 for the operation of the service and \$111,000 for a one-time cost for specialty equipment, plus up to an additional 25 percent of costs if required for any additional work and specialty equipment and to account for adjustments in fuel prices as stated within the scope of work of the agreement. This amount is based on the hourly service rates negotiated with the contractor and Public Works' estimates of hourly service utilization.

The necessary funds are available in the Second Supervisorial District's Proposition A Local Return Transit Program; \$36,500 is included in the Fiscal Year 2007-08 Transit Enterprise Fund Budget. Funding in the amount of \$549,000 (\$438,000 for service operation and \$111,000 for the one-time cost of specialty equipment) is included in the Proposed Fiscal Year 2008-09 Transit Enterprise Fund Budget. Funding in the amount of \$401,500 will be included in the Fiscal Year 2009-10 annual budget process. Funds for the one-year renewal option, if exercised, will also be requested through the annual budget process.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

This agreement will commence on June 6, 2008, for a period of two years. With your Board's approval, the Acting Director of Public Works or his designee may renew the agreement for an additional year, not to exceed a total agreement period of three years.

The agreement requires that the contractor purchase and install specialty equipment to provide real-time communication, such as Automatic Vehicle Locator units and Mobile Data Terminal units on each service vehicle and to obtain the necessary software to process the data that is collected. This is a one-time cost and will not be included in the hourly service rate for service operations.

The attached agreement has been executed by the contractor and approved as to form by County Counsel. As required by the Board Policy 5.100 – Sole Source Contracts, Public Works advised your Board in advance of commencing negotiations with the contractor for this service.

The contractor is in compliance with the Chief Executive Officer, County Counsel, and your Board's requirements.

The agreement contains terms and conditions supporting your Board's ordinances, policies, and programs, including but not limited to: County's Greater Avenues for Independence (GAIN) and General Relief Opportunities for Work Programs (GROW), Board Policy No. 5.050; Contract language to Assist in Placement of Displaced County Workers, Board Policy No. 5.110; Reporting of Improper Solicitations, Board Policy No. 5.060; Notice to Contract Employees of Newborn Abandonment Law (Safely Surrendered Baby Law), Board Policy No. 5.135; Contractor Employee Jury Service Program, Los Angeles County Code, Chapter 2.203; Notice to Employees Regarding the Federal Earned Income Credit (Federal Income Tax Law, Internal Revenue Service Notice 1015); Contractor Responsibility and Debarment, Los Angeles County Code, Chapter 2.202; the Los Angeles County's Child Support Compliance Program, Los Angeles County Code, Chapter 2.200; and the standard Board-directed clauses that provide for contract termination or renegotiation.

Data regarding the contractor's minority participation is on file with Public Works.

Proof of the required Comprehensive General and Automobile Liability insurance policies, naming the County as additional insured, and evidence of Workers' Compensation insurance will be obtained from the contractor before any work is assigned.

This work is being contracted in accordance with procedures authorized under Chapter 2.121 (Contracting with Private Business) of the Los Angeles County Code. The mandatory requirements for contracting set forth in County Code Section 2.121.380 have been met.

Public Works evaluated the contractor and determined it to be a nonprofit corporation qualified under Internal Revenue Code Section 501(c) (3) and, therefore, is exempt from the Living Wage Ordinance.

Public Works has accessed available resources to review and assess the proposed contractor's past performance, history of Labor Law violations, and prior performance on County contracts. From this review in 2007, the contractor was found not to have a pattern of State labor law violations.

Using methodology approved by the County of Los Angeles Auditor-Controller, Public Works has calculated the cost-effectiveness of contracting for this service. Based on the cost calculations, Public Works has determined that this service can be more economically performed by an independent contractor than by County employees.

This Proposition A contract does not allow for a cost-of-living adjustment for the option year. However, this agreement does contain a provision for a monthly cost adjustment based on the increase or decrease in the price of fuel.

ENVIRONMENTAL DOCUMENTATION

The proposed activity is statutorily exempt from the provisions of the California Environmental Quality Act, pursuant to Section 21080 (b) (10) of the Public Resources Code. This exemption provides for the implementation of passenger or commuter transit services.

CONTRACTING PROCESS

The Rosewood Smart Shuttle Service is being contracted as a two-year demonstration project on a sole source basis. Public Works has determined that the use of a sole source agreement will help achieve the goals set for the initial two-year demonstration period. Public Works has also determined that a competitive solicitation is not feasible for the initial two-year demonstration period. As required by the Board Policy 5.100 – Sole Source Contracts, attached is the Sole Source Checklist.

During the two-year demonstration period, Public Works will make needed modifications to the service, including, but not limited to, the service route, service-timed check points, days of operation, and hours of operation. If after the completion and evaluation of the two-year smart shuttle pilot, it is determined that there is a demonstrated need for a new community transit service, Public Works will begin a competitive solicitation process for the service.

Smart shuttle services are rare with few transit operators having experience operating them. Of the local transit service providers, only the Watts Labor Community Action Committee has prior experience operating a smart shuttle service within the targeted community along with their many years of providing service to the residents of the unincorporated County areas of Rosewood, West Rancho Dominguez, and Willowbrook. In addition to their prior smart shuttle experience, they currently operate the County's Willowbrook, et al., Dial-A-Ride Service, and the County's Hahn's Trolley and Shuttle Service.

County service contract general requirements were reviewed for applicability for this agreement. The Watts Labor Community Action Committee has agreed to incorporate the required County contracting language in the agreement.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

This action provides a new community transit service for unincorporated County residents. The Rosewood Smart Shuttle Service will enhance the mobility options of residents by providing both fixed route and curb-to-curb pickup travel to shopping centers, senior centers, youth centers, medical offices, and civic centers. It also provides transfer opportunities with the Compton Renaissance, Watts DASH, and the Metro Rail Green Line.

The Honorable Board of Supervisors
June 4, 2008
Page 7

CONCLUSION

Please return the agreements labeled CONTRACTOR EXECUTE and DEPARTMENT CONFORM, along with two adopted copies of this letter to the Department of Public Works, Programs Development Division.

Respectfully submitted,

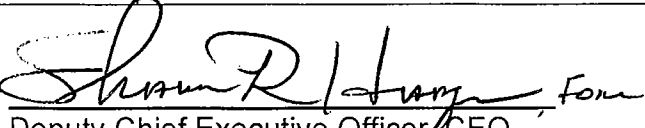
A handwritten signature in black ink, appearing to read 'WTF', followed by a long horizontal line extending to the right.

WILLIAM T FUJIOKA
Chief Executive Officer

WTF:DDE
SA:yr

Attachments (2)

c: County Counsel
Department of Public Works (Administrative Services)

Check (√)	JUSTIFICATION FOR SOLE SOURCE CONTRACTS <i>Identify applicable justification and provide documentation for each checked item.</i>
	➤ Only one bona fide source for the service exists; performance and price competition are not available.
	➤ Quick action is required (emergency situation).
	➤ Proposals have been solicited but no satisfactory proposals were received.
	➤ Additional services are needed to complete an ongoing task and it would be prohibitively costly in time and money to seek a new service provider.
	➤ It is more cost-effective to obtain services by exercising an option under an existing contract.
√	➤ It is in the best interest of the County, e.g., administrative cost savings, excessive learning curve for a new service provider, etc.
	➤ Other reason. Please explain:
<div style="display: flex; justify-content: space-between;"> <div>  Deputy Chief Executive Officer/CEO </div> <div> 5/20/08 Date </div> </div>	

Each County department head is also required to report to the Chief Executive Officer by June 30 of each year those sole source contracts under \$250,000 executed by/for their department for the fiscal year ending on June 30. The Chief Executive Officer will compile the list and submit it to the Board of Supervisors.

Department of Public Works

Chief Executive Office

Internal Services Department

**JUSTIFICATION FOR SOLE SOURCE CONTRACT
ROSEWOOD SMART SHUTTLE SERVICE PILOT PROJECT**

1. It is in the best interest of the County, e.g., administrative cost savings, excessive learning curve for a new service provider, etc.

The Rosewood Smart Shuttle Service Pilot Project is being contracted as a two-year demonstration project on a sole source basis. Public Works has determined that the use of a sole source agreement will help achieve the goals set for the initial two-year demonstration period. Smart shuttle services are rare with few transit operators having experience operating them. Of the local transit service providers, only the Watts Labor Community Action Committee has prior experience operating a smart shuttle service within the targeted community along with their many years of providing service to the residents of the unincorporated County areas of Rosewood, West Rancho Dominguez and Willowbrook.

In addition to their prior smart shuttle experience they currently operate the County's Willowbrook, et al., Dial-A-Ride Service, and the Hahn's Trolley and Shuttle Service. By utilizing the Watts Labor Community Action Committee, County residents will receive a high quality service.

P:\pdpub\Transit\FIXRT_BPASS\Rosewood Flex Route\New Format Scope\SOLE SOURCE CHECKLIST ROSEWOOD.doc

Alcohol Testing Program; Exhibit I, Preventive Maintenance; Exhibit J, Service Vehicle Appearance/Cleanliness Checklist; Exhibit K, Terminal Manager's Compliance Checklist; Exhibit L, Transit Security Plan; Exhibit M, Drivers Daily Vehicle Report; Exhibit N, NTD Monthly Ridership Form (MR-20); Exhibit O, Report of Vehicle Accident and Incident Form; Exhibit P, Calculation Work Sheet for Fuel Adjustment; and Exhibit Q, County Required Form, all attached hereto, are agreed to by the COUNTY and the CONTRACTOR to constitute the Contract.

THIRD: The COUNTY agrees, in consideration of satisfactory performance of the foregoing services in strict accordance with the agreement specifications to the satisfaction of the Acting Director of Public Works or his designee (herein referred to as DIRECTOR), to pay the CONTRACTOR pursuant to the Schedule of Prices agreed upon and attached hereto as Form PW-2, an amount not to exceed \$987,000 (Maximum Contract Sum) for the initial two-year term and an amount not to exceed \$438,000 (Maximum Contract Sum) for the one-year renewal option, or such greater amounts as the Board may approve.

FOURTH: This AGREEMENT'S initial term shall be for a period of two years commencing on June 6, 2008, or upon Board approval, whichever occurs later. At the discretion of the COUNTY, this AGREEMENT may be extended for one year, not to exceed a total period of three years. The COUNTY, acting through the Director, may give a written notice of intent to extend this AGREEMENT at least thirty (30) days prior to the end of the initial term.

FIFTH: The CONTRACTOR shall bill monthly, in arrears, for the work performed during the preceding month. Work performed shall be billed at the hourly rate(s) and/or unit prices listed on Form PW-2, Schedule of Prices.

SIXTH: No cost-of-living adjustments shall be granted during the initial term of this AGREEMENT or for any optional agreement extension periods. However, monthly fuel price adjustments will be calculated and granted as stated in the Scope of Work and reflected in Exhibit P, Calculation Work Sheet for Fuel Adjustment.

SEVENTH: The Director may adjust ten percent (10%) of the hourly rate of compensation set forth in Form PW-2 (Schedule of Prices) based on the increase or decrease in the fuel price published in the Official Energy Statistics from the United States Department of Energy website at http://tonto.eia.doe.gov/dnav/pet/pet_pri_gnd_dcus_sca_m.htm for Diesel (On-Highway) and Gasoline - All Grades (Regular) for California, http://tonto.eia.doe.gov/dnav/pet/pet_pri_prop_dcu_r50_m.htm for Propane (LPG) using West Coast (PADD 5) "Commercial/Institutional," and at http://www.eere.energy.gov/aFdc/Price_report.html for Compressed Natural Gas (CNG) Clean Cities Alternative Fuel Price Report, Table 5, Compressed Natural Gas Average Price by Region from Clean Cities Sources "West Coast" as appropriate to the vehicle used, beginning with April 2008, when Form PW-2 was submitted, and each month after the award of the AGREEMENT and thereafter at each successive one month interval, which shall be the effective date for any such fuel adjustment.

The percentage change in the fuel price shall be obtained using the fuel prices published three months preceding the AGREEMENT start date and the fuel price published three months preceding each effective date of the adjustment. However, when the percentage increase or decrease in the fuel price is less than five percent (5%), no fuel adjustment will be granted. In the event the fuel adjustment is granted, the fuel adjustment (increase or decrease) will be added to or subtracted from, as applicable, the hourly rate of compensation to establish the adjusted hourly rate of compensation.

A sample calculation is included in Exhibit P, Calculation Worksheet for Fuel Adjustment. Public Works shall be permitted to audit the Contractor's fuel usage, fuel costs, and fuel procurement methods for the vehicles used in revenue service and the CONTRACTOR shall provide records pertaining to its fuel costs upon the County's request.

EIGHTH: Public Works will make payment to the CONTRACTOR within thirty (30) days of receipt and approval of a properly completed invoice. Each invoice shall be in triplicate (original and two copies) and shall itemize the work completed. The CONTRACTOR shall submit monthly operation cost claims along with documentation thereof and all required reports in the form and number required by the COUNTY no later than the 15th day of the following month for payment for the service. Operating costs shall be submitted as the amount due to the CONTRACTOR. The invoices shall be submitted to:

County of Los Angeles Department of Public Works
Attention Fiscal Division, Accounts Payable
P.O. Box 7508
Alhambra, CA 91802-7508

NINTH: In no event shall the aggregate total amount of compensation paid to the CONTRACTOR exceed the amount of compensation authorized by the Board. Such aggregate total amount is the Maximum Contract Sum.

TENTH: The CONTRACTOR understands and agrees that only the designated Public Works Contract Manager is authorized to request or order work under this AGREEMENT. The CONTRACTOR acknowledges that the designated Contract Manager is not authorized to request or order any work that would result in the CONTRACTOR earning an aggregate compensation in excess of this AGREEMENT'S Maximum Contract Sum.

ELEVENTH: The CONTRACTOR shall not perform or accept work requests from the Contract Manager or any other person that will cause the Maximum Contract Sum of this AGREEMENT to be exceeded. The CONTRACTOR shall monitor the balance of this AGREEMENT'S Maximum Contract Sum. When the total of the CONTRACTOR'S paid invoices, invoices pending payment, invoices yet to be submitted and ordered services reaches seventy-five percent (75%) of the Maximum Contract Sum, the CONTRACTOR shall immediately notify the Contract Manager in writing. The CONTRACTOR shall send written notification to the Contract Manager when this AGREEMENT is within six months from expiration of the term as provided for hereinabove.

AGREEMENT FOR
THE ROSEWOOD SMART SHUTTLE SERVICE

BOARD EXECUTE

THIS AGREEMENT, made and entered into this 4th day of JUNE, 2008, by and between the COUNTY OF LOS ANGELES, a subdivision of the State of California, a body corporate and politic (hereinafter referred to as COUNTY) and the WATTS LABOR COMMUNITY ACTION COMMITTEE, a nonprofit corporation, (hereinafter referred to as CONTRACTOR).

WITNESSETH

WHEREAS, the COUNTY desires to encourage the use of public transportation within, to, and from the unincorporated communities of Rosewood, West Rancho Dominguez, and Willowbrook by operating a pilot project to demonstrate the effectiveness of a Smart Shuttle Service; and

WHEREAS, the CONTRACTOR, is the only local transit provider with prior transit smart shuttle operational experience within the service target area with experience in the operation of a community-based Smart Shuttle Service; and

WHEREAS, the CONTRACTOR has extensive knowledge of the needs of the COUNTY unincorporated residents from the communities of Rosewood, West Rancho Dominguez, and Willowbrook gained by being a business headquartered in the local area and from years of providing service through their operation of both a COUNTY Dial-A-Ride service (Willowbrook, et. al. Dial-A-Ride Service) and a COUNTY Fixed-Route service (Hahn's Trolley and Shuttle Service); and

WHEREAS, the CONTRACTOR is willing to provide this Smart Shuttle Service for the residents of the unincorporated COUNTY communities of Rosewood, West Rancho Dominguez, and Willowbrook on a demonstration basis; and

WHEREAS, the COUNTY is willing to finance the cost of this Smart Shuttle Service for the term of this AGREEMENT using the COUNTY'S Proposition A Local Return Transit funds.

NOW, THEREFORE, in consideration of the mutual benefits to be derived by the CONTRACTOR and the COUNTY and of the promises herein contained, it is hereby agreed as follows:

FIRST: The CONTRACTOR, for the consideration hereinafter set forth and the acceptance by the Board of Supervisors of said COUNTY, hereby agrees to provide services as described in the attached specifications for the Rosewood Smart Shuttle Service Pilot Project, including, but not limited to, Exhibit A, Scope of Work.

SECOND: This Contract, together with Exhibit A, Scope of Work; Exhibit B, Service Contract General Requirements; Exhibit C, Internal Revenue Service Notice 1015; Exhibit D, Safely Surrendered Baby Law Posters; Exhibit E, System Map and Schedule; Exhibit F, Service Vehicles; Exhibit G, Tariff Regulations; Exhibit H, Controlled Substance and

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THIRTEENTH: This AGREEMENT constitutes the entire agreement between the COUNTY and the Contractor with respect to the subject matter of this AGREEMENT and supersedes all prior and contemporaneous agreement and understandings.

Page 4 of 5

IN WITNESS WHEREOF, the COUNTY has, by order of its Board of Supervisors, caused these presents to be subscribed by the Chair of said Board and the seal of said Board to be affixed and attested by the Clerk thereof, and the CONTRACTOR has subscribed its name by and through its duly authorized officers, as of the day, month, and year first written above.



COUNTY OF LOS ANGELES

By *Yvonne B. Burke*
Chair, Board of Supervisors

ATTEST:

SACHI A. HAMAI
Executive Officer of the
Board of Supervisors of the
County of Los Angeles

ADOPTED
BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

43 JUN 4 2008

By *[Signature]*
Deputy

Sachi A. Hamai
SACHI A. HAMAI
EXECUTIVE OFFICER

APPROVED AS TO FORM:

RAYMOND G. FORTNER, JR.
County Counsel

By *[Signature]*
Deputy



I hereby certify that pursuant to
Section 25103 of the Government Code,
delivery of this document has been made.

WATTS LABOR COMMUNITY ACTION
COMMITTEE

SACHI A. HAMAI
Executive Officer
Clerk of the Board of Directors

By *[Signature]*
Mr. Timothy Watkins, President

By *[Signature]*
Deputy

By *[Signature]* - Hunter
Ms. Paulette Nickerson, Secretary

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California

County of Los Angeles

On May 14, 2008 before me, Takara R. Gordon, Notary Public

personally appeared Timothy Watkins and Paulette Nickerson aka

Paulette Hunter

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) ~~is~~/are subscribed to the within instrument and acknowledged to me that ~~he/she~~ they executed the same in ~~his/her~~ their authorized capacity(ies), and that by ~~his/her~~ their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

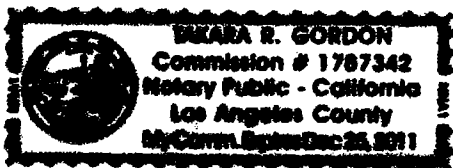
I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature

Signature of Notary Public

Place Notary Seal Above



OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Description of Attached Document

Title or Type of Document: Rosewood Smart Shuttle Service Pilot Project Proposed Agreement (2 of 2)

Document Date: Determined by County Number of Pages: 5

Signer(s) Other Than Named Above: N/A

Capacity(ies) Claimed by Signer(s)

Signer's Name: Timothy Watkins

- ☐ Individual
☒ Corporate Officer — Title(s): President
☐ Partner — ☐ Limited ☐ General
☐ Attorney in Fact
☐ Trustee
☐ Guardian or Conservator
☐ Other: _____

Signer Is Representing: WLCA C

RIGHT THUMBPRINT
OF SIGNER

Top of thumb here



Signer's Name: Paulette Nickerson aka Paulette Hunter

- ☐ Individual
☒ Corporate Officer — Title(s): Secretary
☐ Partner — ☐ Limited ☐ General
☐ Attorney in Fact
☐ Trustee
☐ Guardian or Conservator
☐ Other: _____

Signer Is Representing: WLCA C

RIGHT THUMBPRINT
OF SIGNER

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